

Statement Introducing the Prescription Drug Safety and Affordability Act

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Statement by Congressman Pete Stark

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Mr. Speaker,

I
rise today to introduce legislation that will bring some sanity back to prescription drug marketing, and help bring down the astronomical costs of prescriptions drugs. The Prescription Drug Safety and Affordability Act will force manufacturers to educate physicians instead of spending billions of dollars wining and dining them.

As
Congress begins to investigate its own ethics, we should also shed some light on the immoral relationships between the pharmaceutical industry and physicians. Golf trips and lavish meals aren't just for Members of Congress. Though its hard to imagine, physicians may actually get more lobbying perks from the drug industry than Members of Congress do.

For far too long, the pharmaceutical industry has jeopardized patient safety and inflated prescription drug prices by using tax-deductible dollars to underwrite their so-called "physician education" efforts. According to a recent report in the Journal of the American Medical Association (JAMA) there is a clear conflict of interest when doctors become too cozy with pharmaceutical companies.

Drug companies annually spend about \$10,000 on every single physician in the United States trying to entice doctors to prescribe their drugs. That adds up to nearly \$8 billion in annual spending by drug companies marketing their products to physicians. It is not unusual for doctors to receive lavish meals, all expense paid "educational" trips to posh resorts, and lucrative consulting deals from pharmaceutical manufacturers. Every single dollar spent on these unnecessary gifts is tax deductible for the drug industry as a general business expense.

The Pharmaceutical Research and Manufacturers of America (PhRMA) pretended to discourage these improper marketing ploys by issuing conflict-of-interest guidelines in April 2002. After announcing the guidelines with fanfare, they then paid the American Medical Association to "educate" their members on these guidelines—that is,

they gave doctors financial incentives to promote ethical guidelines that called for an end to financial incentives! It is obvious that PhRMA is not serious about ending the practice of giving financial incentives to doctors.

Regardless of what PhRMA may say, the marketing tactics are still working. It is clear from the JAMA study that self-policing won't work. "Although physician groups, manufacturers, and the federal government have instituted self-regulation of marketing...current controls will not satisfactorily protect the interests of patients."

Doctors swayed to prescribe a certain drug because of their financial ties to drug companies put their own personal interest above the health and safety of their patients.

This must stop now. My legislation will curb unnecessary spending physician gifts to the benefit of all patients.

The Prescription Drug Safety and Affordability Act is a simple way to ensure pharmaceutical companies' behavior matches their rhetoric. This bill eliminates the tax-deduction that pharmaceutical companies currently receive for spending on physician gifts. The bill specifically exempts free drug samples, as that is often the only means by which uninsured patients can get medications.

Unnecessary physician gifts from the drug industry unduly influence prescribing, increase drug prices and corporate profits, and endanger patients who get the wrong prescriptions for the wrong reasons. By removing incentives for pharmaceutical companies to lavish gifts of dubious public value on physicians, I hope that pharmaceutical companies will either redirect those funds toward research and development of lifesaving drugs or reduce the prices of prescription drugs for seniors and all Americans.

The American Medical Student Association has endorsed the Prescription Drug Safety and Affordability Act. This group of future doctors--not yet beholden to the drug industry--recognizes the importance of this bill and the problems physician gifts cause in the doctor-patient relationship. I am pleased to submit their attached letter of support for inclusion in the Congressional Record.

I urge my colleagues to join me in support of the Prescription Drug Safety and Affordability Act. Prohibiting the drug industry from lavishing unnecessary gifts on physicians is a nonpartisan issue that should receive bipartisan support. If we can clean up Congress there is no reason we shouldn't clean up health care. It is time to stop using taxpayer dollars to fund marketing campaigns that put profits above patients.